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Registered no. 2172956

**THE HELPING HAND COMPANY (LEDBURY) LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**TEE AND COMPANY  
CHARTERED ACCOUNTANTS  
6 BRUNSWICK SQUARE  
GLOUCESTER  
GL1 1UG**



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COMPANIES HOUSE 05/11/2005

# **THE HELPING HAND COMPANY (LEDBURY) LIMITED**

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# **THE HELPING HAND COMPANY (LEDBURY) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2005**

The directors present their report and the financial statements of the company for the year ended 30 June 2005.

### **Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Directors**

G H James  
Mrs H J James  
AJ Wilson

### **Secretary**

Mrs H J James

### **Registered Office**

6 Brunswick Square  
Gloucester  
GL1 1UG

### **Principal Activities**

The principal activities of the company during the year were the manufacture and supply of reaching aids for both the daily living and litter clearance markets and the manufacture and supply of specialist chairs and hoists for the disabled.

### **Review of Business**

The results for the year and the financial position at the year end were considered satisfactory by the directors.

### **Future Developments**

The directors aim to maintain the management policies which have resulted in the company's substantial growth in recent years. They consider that the current year will show a further significant growth in sales.

### **Research and Development**

The company will continue its policy of investment in research and development in order to retain a competitive position in the market.

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### Donations

During the year the company made charitable donations totalling £5,500.

### Results and Dividends

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

The company's profit for the year, after taxation, amounted to £202,817 (2004 - £76,389).

The directors recommend that no dividend be paid.

### Directors

The present directors are as shown above. All served on the board throughout the year.

The company's Articles of Association do not require directors to retire by rotation.

### Directors' Interests


The interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	30 June 2005	1 July 2004
G H James		
Beneficial interests	1	1
Mrs H J James		
Beneficial interests	1	1
A J Wilson		
Beneficial interests	1,000	1,000
G H James and Mrs H J James		
Beneficial interests	8,998	8,998

### Auditors

The auditors, Tee and Company, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

ON BEHALF OF THE BOARD



G H JAMES - DIRECTOR

Date: 2 Nov 05

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## AUDITORS' REPORT TO THE HELPING HAND COMPANY (LEDBURY) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 23 for the year ended 30 June 2005 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

### Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies 1985, and the abbreviated accounts on pages 4 to 23 properly prepared in accordance with that provision.

TEE AND COMPANY  
Registered Auditors



Date:

2 November 2005

CHARTERED ACCOUNTANTS  
6 BRUNSWICK SQUARE  
GLOUCESTER  
GL1 1UG

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## ABBREVIATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 £	2004 £
<b>GROSS PROFIT</b>		3,699,603	3,708,920
Net operating expenses	2	3,371,534	3,447,928
<b>OPERATING PROFIT</b>	3	328,069	260,992
Exceptional items	5	(13,156)	(118,579)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		314,913	142,413
Other interest receivable and similar income		-	4,114
Interest payable and similar charges	6	(69,073)	(59,920)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		245,840	86,607
Tax on profit on ordinary activities	7	43,023	10,218
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		202,817	76,389
Retained profit brought forward		1,086,512	1,010,123
<b>RETAINED PROFIT CARRIED FORWARD</b>		1,289,329	1,086,512

The company's turnover and expenses all relate to continuing operations.

There are no recognised gains or losses other than the profit for the financial year shown above.

The annexed notes form part of these abbreviated accounts.

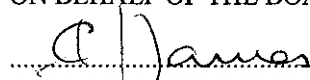
# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## ABBREVIATED BALANCE SHEET AT 30 JUNE 2005

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Intangible assets	8	14,470	3,651
Tangible assets	9	1,495,411	1,377,912
Investments	10	28,213	28,213
		<u>1,538,094</u>	<u>1,409,776</u>
<b>CURRENT ASSETS</b>			
Stocks	11	670,819	685,696
Debtors	12	1,411,011	1,528,589
Cash at bank and in hand		39,666	111,600
		<u>2,121,496</u>	<u>2,325,885</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	1,566,783	1,648,972
<b>NET CURRENT ASSETS</b>		<u>554,713</u>	<u>676,913</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,092,807</u>	<u>2,086,689</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	755,620	943,864
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	15	(8,858)	(17,313)
<b>NET ASSETS</b>		<u>1,328,329</u>	<u>1,125,512</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	10,000	10,000
Share premium account		29,000	29,000
Profit and loss account		1,289,329	1,086,512
<b>SHAREHOLDERS' FUNDS</b>	17	<u>1,328,329</u>	<u>1,125,512</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

These financial statements were approved by the board on 2. June 05  
ON BEHALF OF THE BOARD

  
G H JAMES - DIRECTOR

The annexed notes form part of these financial statements.

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 £	2004 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	23	772,857	247,461
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received	-	4,114	
Interest paid	(55,234)	(46,395)	
Interest element of finance lease rental payments	(13,839)	(13,525)	
		(69,073)	(55,806)
<b>TAXATION</b>		(9,866)	(20,576)
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire fixed assets	(281,264)	(307,846)	
Receipts from sales of fixed assets	3,000	5,060	
		(278,264)	(302,786)
		415,654	(131,707)
<b>FINANCING</b>			
New bank loans	404,034	200,000	
Repayments of loans	(467,093)	(85,262)	
Capital element of finance lease repayments	(113,359)	(104,088)	
		(176,418)	10,650
<b>INCREASE (DECREASE) IN CASH</b>	24	239,236	(121,057)

The annexed notes form part of these financial statements.



# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005

### 1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

#### Consolidation

The parent company and its subsidiary undertaking comprise a medium sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention.

The effect of events in relation to the year ended 30 June 2005 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 30 June 2005 and of the results for the year ended on that date.

#### Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Freehold buildings	- 1% per annum of cost
Plant and machinery	- 20 - 25% per annum of cost
Motor vehicles	- 25% per annum of cost

#### Intangible Fixed Assets

Patents and trademarks are amortised through the profit and loss account in equal instalments over their estimated useful lives.

#### Stocks

Stocks and work in progress have been valued at the lower of cost and net realisable value; in respect of finished goods, cost includes a relevant proportion of overheads according to the stage of manufacturing/completion.

#### Deferred Taxation

Deferred taxation is accounted for in accordance with the requirements of FRS19.

#### Research and Development

Expenditure on research and development is written off against profits for the year in which it is incurred.

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at an approximate rate of exchange at the date of the transaction.

Balances at the year end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

### Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

### Pension Costs

The company operates a pension scheme for the benefit of certain of its employees. The scheme is a defined contribution scheme, and the contributions are charged against profits as they are paid.

## 2. NET OPERATING EXPENSES

	2005 £	2004 £
Administrative expenses	3,375,534	3,453,334
Other operating income	(4,000)	(5,406)
	<u>3,371,534</u>	<u>3,447,928</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2005 £	2004 £
Directors' emoluments	123,690	112,258
Directors' pension contributions in respect of money purchase benefits	3,128	3,565
Total directors' emoluments	<u>126,818</u>	<u>115,823</u>
Hire of other assets - operating leases	282,661	283,541
Depreciation and amortisation of owned assets	185,457	143,777
Depreciation of assets held under finance leases and hire purchase	76,760	88,903
Amortisation of intangible fixed assets	992	-
Auditors' remuneration	4,200	4,000
Foreign currency exchange gains	(22,149)	(30,475)
Loss/(profit) on sale of fixed assets	<u>(3,000)</u>	<u>380</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 4. STAFF COSTS

The average number of persons employed by the company, including directors, during the year was as follows:

2005 Number	2004 Number
152	164

The aggregate payroll costs of these persons were as follows:

	2005 £	2004 £
Wages and salaries	2,864,043	2,864,756
Social security	252,335	255,040
Other pension costs	3,128	3,565
	<u>3,119,506</u>	<u>3,123,361</u>

### 5. EXCEPTIONAL ITEMS

	2005 £	2004 £
This comprises of:		
Computer project costs (net of grant)	13,156	118,579
	<u>13,156</u>	<u>118,579</u>

The computer project costs consist of project management, implementation, support and training costs for a new computer system.

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Bank loans and overdrafts	39,014	43,521
Finance charges payable - finance leases and hire purchase	13,839	13,525
Other loan interest	16,220	2,874
	<u>69,073</u>	<u>59,920</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 7. TAXATION

Analysis of charge in period	2005 £	2004 £
Current tax:		
UK corporation tax on profits of the year	51,478	9,866
Total current tax	51,478	9,866
Deferred tax:	(8,455)	352
Tax on profit on ordinary activities	43,023	10,218

### Factors affecting tax charge for the period

The tax assessed for the year is lower than the effective small companies rate of corporation tax in the UK (19%). The differences are explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	245,840	86,607
Profit on ordinary activities multiplied by the small companies rate of corporation tax in the UK of 19% (2004 - 19%)	46,710	16,455
Effects of:		
Expenses not deductible for tax purposes	3,450	5,505
Capital allowances for year in excess of depreciation	10,109	1,060
Additional relief for research and development	(8,791)	(13,154)
Current tax charge for year	51,478	9,866

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 8. INTANGIBLE FIXED ASSETS

	Patents and trademarks £
<b>Cost</b>	
At 1 July 2004	3,651
Additions	11,811
Disposals	-
At 30 June 2005	<u>15,462</u>
<b>Amortisation</b>	
At 1 July 2004	-
Charge for the year	992
Eliminated on disposals	-
At 30 June 2005	<u>992</u>
<b>Net book value</b>	
At 30 June 2005	<u><u>14,470</u></u>
At 30 June 2004	<u><u>3,651</u></u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 9. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2004	808,092	1,615,976	103,173	2,527,241
Additions	156,784	104,133	118,799	379,716
Disposals	-	(67,841)	(9,930)	(77,771)
At 30 June 2005	<u>964,876</u>	<u>1,652,268</u>	<u>212,042</u>	<u>2,829,186</u>
<b>Depreciation</b>				
At 1 July 2004	40,463	1,073,166	35,700	1,149,329
Charge for the year	8,705	208,060	45,452	262,217
Elimination on disposals	-	(67,841)	(9,930)	(77,771)
At 30 June 2005	<u>49,168</u>	<u>1,213,385</u>	<u>71,222</u>	<u>1,333,775</u>
<b>Net book value</b>				
At 30 June 2005	<u>915,708</u>	<u>438,883</u>	<u>140,820</u>	<u>1,495,411</u>
At 30 June 2004	<u>767,629</u>	<u>542,810</u>	<u>67,473</u>	<u>1,377,912</u>

	2005 £	2004 £
Freehold land and buildings	<u>915,708</u>	<u>767,629</u>

Included in the total net book value of tangible fixed assets held at 30 June 2005 was £212,631 (2004 - £239,928) in respect of assets held under finance leases and hire purchase contracts.



# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 10. INVESTMENTS

#### Shares in group undertakings

	2005 £
<b>Cost</b>	
At 1 July 2004	28,213
Additions	-
Disposals	-
	<hr/>
At 30 June 2005	28,213
	<hr/>
<b>Provision</b>	
At 1 July 2004	-
During the year	-
	<hr/>
At 30 June 2005	-
	<hr/>
Net cost or valuation	<hr/> <hr/> 28,213

The company owns more than 20% of the issued share capital of the following companies:

Name	Nature of business	Country of registration	Shares held, class/percentage
Symmetrikit Engineering Limited	Dormant	Great Britain	100 £1 Ordinary (100%)
Innocare B.V.	Supply of disabled aids	Netherlands	9,076 €1 Ordinary (50%)

	Aggregate amount of capital and reserves 2005 £	2004 £	Profit (loss) for the year 2005 £	2004 £
Symmetrikit Engineering Limited	-	-	-	-
Innocare B.V. (year ended 31 December 2004 (2003))	8,418	(10,876)	19,341	14,316
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### JOINT VENTURE

The Helping Hand Company (Ledbury) Limited purchased a 50% interest in Innocare B.V. on 12 November 2001. The following figures are based on accounts produced for Innocare B.V. and represent The Helping Hand Company (Ledbury) Limited's share of the company's results for the year ended 31 December 2004.

	£	£
Share of turnover		237,826
Share of profit before tax	9,996	
Taxation	(325)	
Profit/(loss) after tax		9,671
Share of assets		
Fixed assets	2,200	
Current assets	73,911	
		76,111
Share of liabilities		
Due within one year	(71,902)	
Due after more than one year	-	
		(71,902)
Share of net assets		4,209

### 11. STOCKS

	2005 £	2004 £
Raw materials and consumables	428,141	411,431
Finished goods and goods for resale	242,678	274,265
	670,819	685,696

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 12. DEBTORS

Receivable within one year:

	2005 £	2004 £
Trade debtors	1,297,683	1,337,981
Amount owed by joint venture company	51,604	86,095
Other debtors	-	28,212
Prepayments and accrued income	61,724	76,301
	<u>1,411,011</u>	<u>1,528,589</u>

### 13. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2005 £	2004 £
Bank loans and overdrafts	235,358	547,328
Obligations under finance leases and hire purchase contracts	92,059	85,837
Trade creditors	572,763	587,428
Social security and other taxes	183,734	139,011
Other creditors	146,820	105,695
Corporation tax payable	51,478	9,866
Accruals and deferred income	284,571	173,807
	<u>1,566,783</u>	<u>1,648,972</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 14. CREDITORS - AMOUNTS DUE AFTER ONE YEAR

	2005 £	2004 £
Bank loans	426,488	488,747
Obligations under finance leases and hire purchase contracts	59,132	68,450
Other creditors	270,000	386,667
	<u>755,620</u>	<u>943,864</u>

Repayable by instalments, amounts falling due after five years:

	2005 £	2004 £
Bank loan	<u>75,095</u>	<u>94,542</u>

Obligations under finance leases and hire purchase contracts are secured by related assets.

The bank loans and overdrafts are secured by legal mortgages over the freehold property and by a mortgage debenture dated 14th March 1995. Interest is charged on the bank loans at 1.75% over bank base rate.

#### Analysis of debt maturity

	2005 £	2004 £
Amounts payable:		
Within one year or on demand	235,358	547,328
Between one and two years	101,282	104,108
Between two and five years	250,111	290,097
In five years or more	75,095	94,542
	<u>661,846</u>	<u>1,036,075</u>

#### Obligations under finance leases and hire purchase contracts

	2005 £	2004 £
Amounts payable:		
Within two to five years	59,132	68,450
After five years	-	-
	<u>59,132</u>	<u>68,450</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 15. PROVISIONS FOR LIABILITIES AND CHARGES

#### Provision for deferred tax

	2005 £	2004 £
Accelerated capital allowances	8,858	17,313
Tax losses carried forward	-	-
Other timing differences	-	-
	<hr/>	<hr/>
Undiscounted provision for deferred tax	8,858	17,313
Discount	-	-
	<hr/>	<hr/>
Discounted provision for deferred tax	8,858	17,313
	<hr/>	<hr/>
Provision at 1 July 2004	17,313	
Deferred tax charge in profit and loss account for the year	(8,455)	
	<hr/>	
Provision at 30 June 2005	8,858	
	<hr/>	

### 16. SHARE CAPITAL

	2005 £	2004 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
Profit for the financial year	202,817	76,389
Opening shareholders' funds	1,125,512	1,049,123
Closing shareholders' funds	<u>1,328,329</u>	<u>1,125,512</u>

### 18. FINANCIAL COMMITMENTS

At the balance sheet date the company had entered into a number of forward exchange contracts to exchange a total of US \$410,000 into UK sterling, all of which are due to mature within twelve months of the year end.

### 19. CAPITAL COMMITMENTS

Commitments for capital expenditure at the end of the year were as follows:

	2005 £	2004 £
Authorised and contracted for	<u>65,456</u>	<u>76,962</u>

### 20. LEASING COMMITMENTS

At 30 June 2005 the company had annual commitments under non-cancellable operating leases as detailed below:

	Land and buildings £	2005 Other £	Land and buildings £	2004 Other £
Operating leases which expire:				
Within one year	29,149	37,739	10,149	26,206
Within two to five years	3,000	88,345	22,000	128,838
After more than five years	46,650	-	46,650	-
	<u>78,799</u>	<u>126,084</u>	<u>78,799</u>	<u>155,044</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 21. PENSION COSTS

The company operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the profit and loss account as they are paid. The charge for the year was £3,128 (2004 - £3,565).

### 22. RELATED PARTIES

The company occupied property owned by the Trustees of The Helping Hand Company Pension Fund at a rental of £46,650 per annum. G H James and Mrs H J James are Trustees of the pension fund.

The company paid loan interest of £993 and £1,509 to A R James and Mrs C O U Morse respectively in respect of unsecured loans totalling £66,667 in the year. Mr A R James loan of £33,333 was repaid to him in full on 1 November 2004. G H James is the brother of A R James and Mrs C O U Morse.

The company paid loan interest of £1,362 to Miss S James in respect of her unsecured loan to the company. At the balance sheet date she was owed £20,000. Miss S James is the daughter of G H James and Mrs H J James

The company paid loan interest of £12,500 to Mrs H J James in respect of her unsecured loan to the company. At the balance sheet date she was owed £174,490.

The company purchased services from A R James totalling £2,840 in the year.

The company sold a motor vehicle at open market value to G H James for £3,000.

The company sold goods totalling £297,784 to Innocare B.V. during the year.

### 23. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2005 £	2004 £
Operating profit	328,069	260,992
Exceptional items	(13,156)	(118,579)
Depreciation and amortisation charge	263,209	232,680
(Profit)/loss on sale of fixed assets	(3,000)	380
Decrease/(increase) in stocks	14,877	(93,829)
Decrease/(increase) in debtors	117,578	(142,838)
Increase in creditors	65,280	76,392
Net cash inflow/outflow from operating activities	<u>772,857</u>	<u>247,461</u>

# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 24. ANALYSIS OF NET DEBT

	2004 £	Cash flow £	Other changes £	2005 £
Cash at bank and in hand	111,600	(71,934)	-	39,666
Overdraft	(449,346)	311,170	-	(138,176)
		<u>239,236</u>		
Debt due within 1 year	(97,982)	63,059	(62,259)	(97,182)
Debt due after 1 year	(488,747)	-	62,259	(426,488)
Finance leases	(154,287)	113,359	(110,263)	(151,191)
		<u>176,418</u>		
Total	<u>(1,078,762)</u>	<u>415,654</u>	<u>(110,263)</u>	<u>(773,371)</u>



# THE HELPING HAND COMPANY (LEDBURY) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2005 (CONT)

### 25. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2005 £	2004 £
Increase/(decrease) in cash in the year	239,236	(121,057)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	176,418	(10,650)
Change in net debt resulting from cash flows	415,654	(131,707)
New finance leases	(110,263)	(61,846)
Movement in net debt in the year	305,391	(193,553)
Net debt at 1 July 2004	(1,078,762)	(885,209)
Net debt at 30 June 2005	(773,371)	(1,078,762)

### 26. NON-CASH TRANSACTIONS

During the year the company entered into finance lease and hire purchase arrangements in respect of assets with a total capital value at the inception of the leases of £110,263 (2004 - £61,846).